

104TH CONGRESS
1ST SESSION

S. CON. RES. 6

To express the sense of the Congress that the Secretary of the Treasury should submit monthly reports to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking and Financial Services of the House of Representatives concerning compliance by the Government of Mexico regarding certain loans, loan guarantees, and other assistance made by the United States to the Government of Mexico.

IN THE SENATE OF THE UNITED STATES

FEBRUARY 14 (legislative day, JANUARY 30), 1995

Mr. MACK (for himself, Mr. D'AMATO, Mr. SHELBY, Mr. BOND, Mr. FAIRCLOTH, Mr. GRAMS, Mr. FRIST, Mr. BROWN, Mr. MURKOWSKI, Mr. BENNETT, and Mr. GRAMM) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations

CONCURRENT RESOLUTION

To express the sense of the Congress that the Secretary of the Treasury should submit monthly reports to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking and Financial Services of the House of Representatives concerning compliance by the Government of Mexico regarding certain loans, loan guarantees, and other assistance made by the United States to the Government of Mexico.

Whereas Mexico is an important neighbor and trading partner of the United States;

Whereas on January 31, 1995, the President announced a program of assistance to Mexico, that includes swap facilities and securities guarantees in the amount of \$20,000,000,000, using the exchange stabilization fund established pursuant to section 5302 of title 31, United States Code and the Federal Reserve System;

Whereas the program of assistance also involves the participation of the Federal Reserve System, the International Monetary Fund, the Bank for International Settlements, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Bank of Canada, and several Latin American countries;

Whereas the involvement of the exchange stabilization fund and the Federal Reserve System means that United States taxpayer funds will be used in the assistance effort to Mexico;

Whereas assistance provided by the International Monetary Fund, the International Bank for Reconstruction and Development, and the Inter-American Development Bank may require additional United States contributions of taxpayer funds to those entities;

Whereas the immediate use of taxpayer funds and the potential requirement for additional future United States contributions of taxpayer funds necessitates congressional oversight of the disbursement of funds from the exchange stabilization fund, the Federal Reserve System, and the International Monetary Fund; and

Whereas the efficacy of the assistance to Mexico is contingent on the pursuit of sound economic policy by the Government of Mexico: Now, therefore, be it

1 *Resolved*, That it is the sense of the Congress that—

1 (1) the Secretary of the Treasury should, in
2 conjunction with reports required under section
3 5302 of title 31, United States Code, by the 30th
4 day after the end of each month, submit a detailed
5 report to the Committee on Banking, Housing, and
6 Urban Affairs of the Senate and the Committee on
7 Banking and Financial Services of the House of
8 Representatives describing, with respect to such
9 month—

10 (A) the condition of the Mexican economy;

11 (B) any consultations between the Govern-
12 ment of Mexico and the Department of the
13 Treasury or the International Monetary Fund;
14 and

15 (C) any funds disbursed from the exchange
16 stabilization fund, including any swap facilities
17 or securities guarantees, pursuant to the ap-
18 proval of the President issued on January 31,
19 1995;

20 (2) each report submitted under paragraph (1)
21 should include, with respect to the month for which
22 the report is submitted—

23 (A) a full description of the activities of
24 the Mexican Central Bank and Mexican ex-
25 change rate policy, including the reserve posi-

1 tions of the Mexican Central Bank and data re-
2 lating to the functioning of Mexican monetary
3 policy;

4 (B) information regarding the implementa-
5 tion and the extent of wage, price, and credit
6 controls in the Mexican economy;

7 (C) a complete documentation of Mexican
8 tax policy and any proposed changes to such
9 policy;

10 (D) a list of planned or pending Mexican
11 Government regulations affecting the Mexican
12 private sector;

13 (E) any efforts to privatize public sector
14 entities in Mexico; and

15 (F) a full disclosure of all financial trans-
16 actions, both inside and outside of Mexico, di-
17 rectly involving funds disbursed from the ex-
18 change stabilization fund and the International
19 Monetary Fund, including transactions with—

20 (i) individuals;

21 (ii) partnerships;

22 (iii) joint ventures; and

23 (iv) corporations; and

24 (3) the Secretary of the Treasury should con-
25 tinue to submit reports under paragraph (1) until

1 the Secretary determines that no further risk exists
2 to United States taxpayers of default by the Govern-
3 ment of Mexico on funds provided from the exchange
4 stabilization fund, the Federal Reserve System, or
5 the International Monetary Fund pursuant to the
6 program of assistance approved by the President on
7 January 31, 1995.

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